

INTENDED USE PLAN
FOR
FY 2006
(July 1, 2005 - June 30, 2006)

Prepared by:

The Department of Conservation and Natural Resources

Nevada Division of Environmental Protection

Bureau of Water Pollution Control

Clean Water State Revolving Loan Fund

1.0 Introduction

The State of Nevada (State) hereby submits its Intended Use Plan (IUP) as part of its annual application for a Capitalization Grant under Title VI of the Water Quality Act of 1987.

This IUP serves as the planning document for managing the FY 2006 allocation of grant funds for the State Revolving Fund (SRF).

The State received one Capitalization Grant in 2005 in the amount of \$6,471,800 of which \$6,256,073 will be for loans. The 2006 Capitalization Grant, in the amount of \$5,243,500, of which \$5,033,760 will be available for loans, is expected in October 2005. Additional funds for loans will consist of match bonds, which are general obligation bonds, as well as carry forward funds and leveraged bonds as needed. The match bonds, which constitute 20% of the Capitalization Grant funds will be issued during the summer of 2005.

The FY 2006 project priority list includes approximately \$346,630,000 in proposed projects.

2.0 List of Projects

Table I lists the SRF projects which are eligible for funding in FY 2006.

Table I

Loan Recipient	Project Description	Estimated Loan Request
Washoe County CS32-0401	Spanish Springs Regional WWTF	\$26,550,000
Washoe County CS32-0102	Spanish Springs Septic to Sewer	\$31,900,000
Incline Village GID CS32-0404	Discharge Pipeline Replacement	\$4,200,000
Douglas County SID #1 CS32-0502	Round Hill Reservoir lining project & improve secondary clarifiers	\$8,200,000
Humboldt County CS32-0105	Grass Valley collection system & treatment plant	\$14,700,000
Lyon County CS32-0503	Rolling A Expansion of WWTP & expand irrigation & wetland use	\$16,400,000
City of Mesquite CS32-0601	Expansion of WWTP	\$9,500,000
Lyon County CS32-0602	South Dayton WWTP effluent storage and solids handling upgrade	\$25,300,000

Loan Recipient	Project Description	Estimated Loan Request
Clark County WRD CS32-0603	Searchlight WWTP – new treatment plant and upgrade lift station	\$6,000,000
Clark County WRD CS32-0604	Moapa Valley new WWTP	\$12,000,000
City of Mesquite CS32-0605	New treatment plant	\$7,000,000
Gerlach GID CS32-0606	Pond lining	\$250,000
City of North Las Vegas CS32-0504	Construct new WRF	\$60,000,000
City of Reno CS32-0203	Effluent Reuse Distribution System	\$800,000
City of Reno CS32-0407	Sewer Line Rehabilitation	\$6,000,000
Douglas County SID #1 CS32-0607	New force main	\$1,380,000
Clark County WRD CS32-0608	Indian Springs new WWTP	\$8,000,000
City of Reno CS32-0410	Septic to Sewer	\$5,200,000
City of Sparks CS32-0408	Sparks Blvd. Reliever Interceptor	\$10,400,000
City of Sparks CS32-0609	Spanish Springs Reliever Interceptor	\$16,700,000
Washoe County CS32-0610	Lawton-Verdi Interceptor	\$9,800,000
Washoe County CS32-0111	Pleasant Valley Interceptor	\$11,250,000
Lyon County CS32-0611	Mound House new WWTP	\$21,500,000

Loan Recipient	Project Description	Estimated Loan Request
Washoe County CS32-0411	Verdi Septic to Sewer	\$1,150,000
Washoe County CS32-0208	Spanish Springs Stormwater Control (flood control channels)	\$6,500,000
City of Sparks CS32-0412	Storm Drain Improvements	\$4,400,000
Washoe County CS32-0413	Huffaker Hills Reservoir Relining	\$10,550,000

* In accordance with EPA's regulations implementing the State Revolving Loan Program, there are no equivalency requirements for projects funded after October 1, 1994.

All projects on the FY 1985 National Municipal Policy List are in compliance, under enforcement action or on an enforceable compliance schedule.

3.0 Long Term Goals

- 3.1 Maintain compliance by all publicly owned treatment works with water quality goals and protect the public health, by assisting in the completion of cost effective projects.
- 3.2 Provide the best available financial assistance to municipalities and interstate agencies through the management of the SRF.
- 3.3 Ensure technical integrity of the SRF program through adequate and effective planning, engineering reviews and compliance inspections.
- 3.4 Ensure proper accounting, audit and fiscal procedures.
- 3.5 Maintain an adequate data management system.
- 3.6 Administer the SRF so that its revolving nature is assured in perpetuity.

In order to assist us in accomplishing these goals we have hired a financial consultant.

4.0 Short Term Goals

- 4.1 Develop a project priority list annually. (See Attachment B).
- 4.2 To develop and implement an annual IUP and submit it with the annual grant application, provided grant funds are authorized.

- 4.3 Have an annual audit conducted in accordance with generally accepted government accounting standards.
- 4.4 To prepare and submit an annual report to EPA covering the accomplishments of the IUP.
- 4.5 To provide loans to municipalities to assist them in providing adequate wastewater collection treatment and disposal facilities for their rapidly expanding population.
- 4.6 The NDEP will encourage municipalities to use loans and other financial assistance from the SRF to construct projects which will improve and protect the quality of the waters of the state, including projects for the control of non-point sources of pollution.
- 4.7 The NDEP agrees to complete the one page CWSRF Benefits Assessment worksheet for all binding commitments annually.

5.0 Information on Activities to be Supported

- 5.1 Information pertinent to each SRF project is contained in Table I. As identified in the Capitalization Grant application, the State intends to use an amount equal to 4 percent of the Federal funds including the required State Match to manage the SRF program.

6.0 Criteria and Method for Distributing Funds

- 6.1 The procedures for prioritizing projects for funding are included in Attachment C. State Priority System. Procedures for prioritizing projects for assistance are included in Subsections IV and V of the priority system.
- 6.2 The procedures for applying for a loan and loan procedures and conditions are described in the Regulations Governing the State Revolving Loan Program and in the individual loan agreements.
- 6.3 A payment schedule will be included in each loan agreement.

7.0 Assurances and Specific Proposals

- 7.1 The State shall provide the necessary assurances and certifications as part of the Operating Agreement as approved by EPA on October 26, 1989. This Agreement is the official operating agreement between the State of Nevada and the U.S. Environmental Protection Agency.

The State certifies that:

- 7.1.1 The State will enter into binding commitments equal to at least 120% of each quarterly grant payment within one year after receipt of the payment;
- 7.1.2 The State will expend all funds in the SRF in an expeditious and timely manner;
- 7.1.3 Funds will first be used to assure maintenance of progress toward compliance with

enforceable deadlines, goals, and requirements of the Act, including the municipal compliance deadline.

7.1.4 The State agrees to comply with all applicable federal requirements.

7.2 In addition, the State certifies that it will conduct environmental reviews on wastewater facility projects in satisfying the NEPA-like requirements. The State's NEPA-like procedures are contained in the Regulations Governing the State Revolving Loan Program.

8.0 Annual Report

Section 606(d) of the Act, requires that beginning the first fiscal year after receiving payments under the SRF the State shall provide an Annual Report to the U.S. Environmental Protection Agency (EPA). The Annual Report shall be submitted to EPA within 90 days after the end of the fiscal year covered by the IUP. This report shall identify loan recipients, loan amounts and terms, similar details on other forms of financial assistance provided from SRF, and other such information as agreed to by the State and EPA.

9.0 Public Review and Comment

To be completed after public hearing.

10.0 Mechanisms for Financial Assistance

Table I includes the projects and their estimated costs to be funded in FY 2005.

The following Table includes the capitalization grant funds and matching funds available to fund these projects.

ATTACHMENTS

- A) Proposed Payment Schedule
- B) Project Priority List & Environmental Statements
- C) State Priority System
- D) Public Hearing Notice and Responsiveness Summary

ATTACHMENT A

PROPOSED PAYMENT SCHEDULE

PAYMENT SCHEDULE

FY 2006

First Quarter	FY2006 (10/01/05-12/31/05)	\$2,500,000
Second Quarter	FY2006 (01/01/06-03/31/06)	\$2,000,000
Third Quarter	FY2006 (04/01/06-06/30/06)	\$ 500,000
Fourth Quarter	FY2006 (07/01/06-09/30/06)	\$ 243,500

ATTACHMENT B

PROJECT PRIORITY LIST & ENVIRONMENTAL STATEMENTS

ATTACHMENT C

STATE PROJECT PRIORITY SYSTEM

ATTACHMENT D

PUBLIC HEARING NOTICE & RESPONSIVENESS SUMMARY